

(f) The “Date of This Report” shall be the date on which the Director allows the Statement of Record to become effective and shall not be entered until the submission has become effective.

**§ 1010.106 Table of contents.**

(a) The second page(s) shall consist of a Table of Contents which lists the headings in the Property Report, the major subheadings, if any, and the page on which they appear. An example is set forth in section XI of the appendix to this part: Sample Entry in Table of Contents for Statement of Record.

(b) *Use of “You” and “We.”* At the end of the Table of Contents insert the following remark: “In this Property Report, the words “you” and “your” refer to the buyer. The words “we,” “us” and “our” refer to the developer.”

**§ 1010.107 Risks of buying land.**

(a) The next page shall be headed “Risks of Buying Land” and shall contain the paragraphs listed in section XII of the appendix to this part: Required Paragraphs for Risks of Buying Land.

(b) Warnings. If the instructions of the Director require any warnings to be included in the Property Report portion, the following statement shall be added beneath the “Risks of Buying Land” under a heading “Warnings”: “Throughout this Property Report there are specific warnings concerning the developer, the subdivision or individual lots. Be sure to read all warnings carefully before signing any contract or agreement.” Both the heading, “Warnings,” and the statement shall be printed in capital letters and enclosed in a box.

**§ 1010.108 General information.**

Insert and complete the format set forth in section XIII of the appendix to this part: Format for General Information.

**§ 1010.109 Title to the property and land use.**

(a) *General instructions.* (1) Below the heading “Title to the Property and Land Use” insert the introductory paragraphs set forth in section XIV of the appendix to this part: Paragraphs

to be included in the General Report—Title to the Property and Land Use.

(2) *Information to be provided.* After the above introductory paragraphs provide the information required by the following instructions and questions. Follow a general form identical to the sample page set forth in section IX of the appendix to this part: Sample Page for Statement of Record.

(b) *Method of sale:* (1) *Sales contract and delivery of deed.* (i) Will the buyer sign a purchase money or installment contract or similar instrument in connection with the purchase of the lot? When will a deed be delivered?

(ii) If an installment contract is used, include the following, or substantially the same, language in the disclosure narrative under “Method of Sale”: “If you fail to make your payments required by the contract, you may lose your lot and all monies paid.”

(iii) If, at the time of a credit sale, the developer gives the buyer a deed to the lot, what type of security must the buyer give the seller?

(iv) If the lots are to be sold on the basis of an installment contract, can the developer or the owner of the subdivision or their creditors encumber the lots under contract? If so, include the following warning in the disclosure narrative under the caption “Sales contract and delivery of deed”: “The (indicate subdivision developer, owner, or their creditors) can place a mortgage on or encumber the lots in this subdivision after they are under contract. This may cause you to lose your lot and any monies paid on it.”

(2) *Type of deed.* What type of deed will be used to convey title to lots in the subdivision?

(3) *Quitclaim deeds.* If a quitclaim deed is to be given to lot purchasers insert the below warning, or a warning which is substantially the same, in the disclosure narrative below the caption “Quitclaim Deeds.” This particular warning may be deleted at the direction of the Director if an acceptable attorney’s opinion is submitted with the Statement of Record which indicates that a quitclaim deed has a meaning in the jurisdiction where the subdivision is located which is substantially contrary to the effect of this warning. This warning shall be phrased substantially